

Congressman Urges Area Residents to Make Opinions Known Before Public Comment Deadline

Middletown, NY - Congressman Maurice Hinchey (D-NY) today blasted the US Postal Service's (USPS) proposed consolidation of the Mid Hudson Processing and Distribution Center (P&DC) to the Albany P&DC. Hinchey expressed his concerns to the Postmaster General two months ago when the USPS announced a study of the facility. After reviewing the preliminary results of the feasibility study which recommended the consolidation, the Congressman urged the Postal Service to reject the study because it fails to account for the economic impact of service reductions and job losses. Hinchey is also urging area residents to make their opinions known before the public comment deadline on December 16, 2011.

"This facility is something that is critically important to our local communities," said Hinchey in a statement read by a staff member at the USPS public meeting in Montgomery on Thursday evening. "The potential loss of hundreds of jobs and the adverse impacts to our local economy are unacceptable. The Postal Service should examine how it can better use this facility and take advantage of its unique assets, including a one-dollar per year long-term lease and an ideal location near I-84, I-87 and Stewart International Airport. I offer the Postal Service any support and assistance I can provide in maintaining this facility's essential operations, and I urge you to reject the proposal for consolidation."

The Postal Service is currently accepting comments from the public on the results of its Feasibility Study to determine if the Mid Hudson General Mail Facility should be consolidated with the Albany Facility. Hinchey says local residents can make their opinion known by writing to the USPS District Office at: Manager of Consumer and Industry Contact, 1000 Westchester Ave, White Plains, NY 10610-9631.

In August, Hinchey urged the Postmaster to prevent the closure of the Newburgh facility after the USPS announced it had initiated a separate Area Mail Process (AMP) study to consider consolidation with a distribution center in White Plains, New York. The White Plains AMP study was subsequently suspended with the announcement of a new AMP study of the Mid Hudson facility with Albany. The earlier study was to consider only one aspect of mail sorting and

processing at the Mid Hudson plant, but the new study could result in all operations moving to Albany and the closure of the P&DC facility in Newburgh.

Hinchey is a cosponsor of legislation designed to help ease the financial challenges currently faced by USPS. The United States Postal Service Pension Obligation Recalculation and Restoration Act of 2011 (H.R. 1351) would free up billions in financial resources for USPS for years to come. Under current law, the Postal Service is required to pre-fund health care benefits of future retirees at a cost of over \$5 billion annually. H.R. 1351 would help reduce the financial burden of this requirement by allowing the Postal Service to use billions of dollars in overpayments to their pension fund to pre-fund healthcare benefits of future retirees. The legislation is strongly supported by the National Association of Letter Carriers.

The full text of Hinchey's comments follows:

December 1, 2011

I regret that I cannot join you this evening due to my voting schedule in Washington, DC. However, I appreciate this opportunity to offer comments on the US Postal Service's proposed consolidation of the Mid Hudson Processing and Distribution Center (P&DC) to the Albany P&DC. As you may know, I wrote to the Postmaster General two months ago to express my concerns with the Area Mail Processing study and to convey my opposition to any consolidation. After reviewing the preliminary results of the Feasibility Study, I remain strongly opposed to the proposed consolidation, and I urge the Postal Service to reject this misguided proposal.

I recognize and understand the historic financial crisis facing the Postal Service. As you know, I continue to work in Congress to correct onerous requirements on the agency requiring the Postal Service to pre-fund retiree health benefits on an accelerated schedule and to overpay retirement contributions, both of which have contributed to the agency's current fiscal crisis. However, I am deeply alarmed that the proposed consolidation will destroy the livelihoods of hundreds of local workers, undermine our region's struggling economy, and adversely impact local businesses. It will also undermine the quality of mail services throughout our region, which the Postal Service has itself recognized and acknowledged through its efforts to redefine and relax current mail delivery standards.

The Postal Service needs to adjust its operations in response to declining first class mail volumes and confront its fiscal challenges. However, it is counterproductive for the agency to seek cost savings by undermining working families and delivery standards. This is even more troubling to consider given a recent Federal Times report that the agency last year paid more than three dozen top executives bonuses that exceeded those of U.S. Cabinet secretaries while the agency was posting record losses. The Postal Service should improve its operations and implement common sense efficiencies, but this proposal fails on both of those accounts and is unlikely to deliver any true savings when all of the tradeoffs are considered. For example, this proposal could substantially increase transportation expenses as fuel costs increase in the future. It will also undermine productivity and the morale of the agency's remaining workforce, many of whom will now be forced to commute very significant distances to retain their jobs.

This facility is something that is critically important to our local communities. The potential loss of hundreds of jobs and the adverse impacts to our local economy are unacceptable. The Postal Service should examine how it can better use this facility and take advantage of its unique assets, including a one-dollar per year long-term lease and an ideal location near I-84, I-87 and Stewart International Airport. I offer the Postal Service any support and assistance I can provide in maintaining this facility's essential operations, and I urge you to reject the proposal for consolidation.

Sincerely,

Maurice D. Hinchey